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Beginner's Guide to Omnichannel Marketing

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Preface

Consumers today have highly evolved demands and needs. Consumers shop using a combination of online and in-store options and expect a seamless shopping experience between both channels. Personalization Pulse Check Report 2023, the survey report that is inclusive of 2000 respondents from North America and Europe, reveals that around 12.5% of consumers expect a seamless shopping experience between online and physical buying. This is so because the experience that consumers get in a physical store can be replicated in online shopping. If a consumer buys something periodically, brands start displaying relevant offers when they open the app. As consumers seek experiences that move seamlessly between the physical and digital worlds, they expect the right information at the right time, to help them make the right choices. Leveraging this trend by personalizing relevant and engaging content to reach consumers will ensure you are ahead of the curve. Brands that ensure a consistent experience throughout customers' journeys, on their preferred channels, successfully win their trust and loyalty.

> *Harvard Business Review observed the shopping behaviors of 46,000 consumers and found out that around 73% of consumers prefer shopping through multiple channels. Comparatively, 7% of consumers shop online exclusively, and 20% of them shop merely in-store.*

Brands have **three key attributes** that attract customers -

| Consistency | Intensity | Accuracy |

Shoppers increasingly demand a consistent experience regardless of the channel or the mode by which they access the brand. So, it is crucial to understand omnichannel and its best practices.

This e-book introduces you to:

| ◤ The basics of omnichannel marketing and how businesses can tactfully leverage marketing automation tools | ◉ How businesses are getting significantly impated by using omnichannels | ◡ Tactics to implement an effective omnichannel marketing strategy to win in this new kind of marketing |

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Chapter 1:
Omnichannel Marketing 101

Omnichannel marketing seamlessly integrates the different communication channels that businesses use to communicate with customers. This approach uses the customers' perspectives and interests to optimize the consistency of the company's marketing messages. By combining the strengths of each communication channel, marketing teams can use omnichannel marketing to deliver a more consistent and effective brand message.

A brand that emerges as one of the forerunners of implementing an omnichannel marketing strategy is Starbucks. Their stellar rewards plan and customer experience compels customers to continue visiting Starbucks.
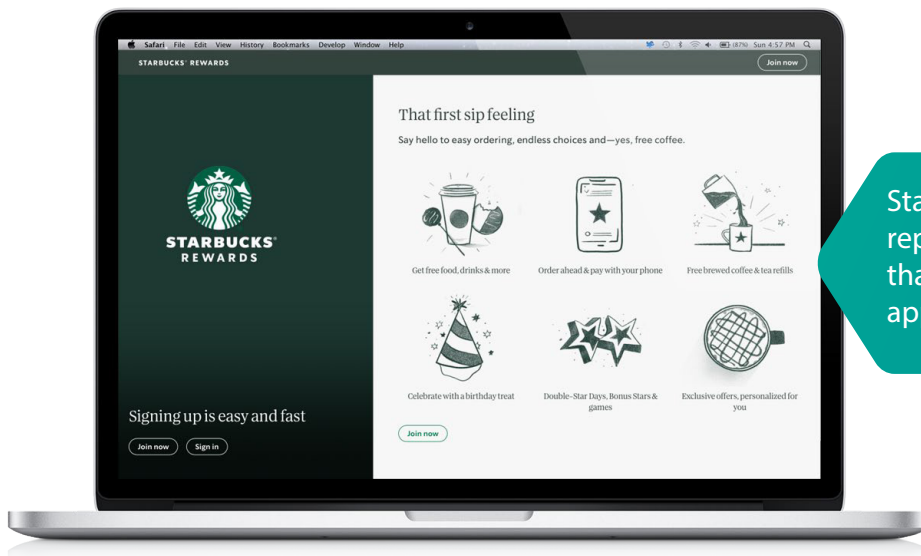
Starbucks Rewards incentivizes repeat visits with a loyalty program that can be managed online, via the app, on the phone, and in stores

Customers earn 'stars' with every purchase that can be redeemed in future transactions or accumulated for higher tiers of the rewards program such as their gold card. The one thing that sets it apart is the consistent experience of reloading the card or redeeming the points on the website, mobile app, phone or at the physical store.

Once the card is interlinked with the mobile device, customers can directly pay via their phone. Additionally, customers can pre-order on the app, get special discounts, pay and collect at the store, giving a seamless experience. This brand story indicates how integral is omnichannel marketing in building a loyal customer base.

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according to an Insider intelligence report, the mcommerce retail share will keep growing in 2023, reaching nearly **9%** by 2026.

U.S. Mobile Retail Commerce Sales from 2019-2026 ($ billion)
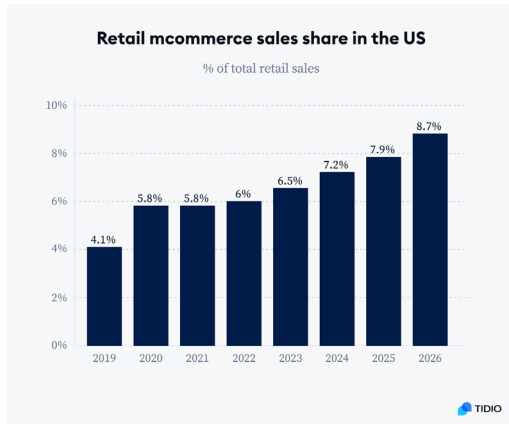
To understand why omnichannel is so critical for a business that has both online and offline presence, let us look at a few search patterns reported by Think with Google 2022 Retail Marketing Guide. According to Google's data, there has been a an increase in searches for "open now near me" have grown globally by over **400%** YOY. .
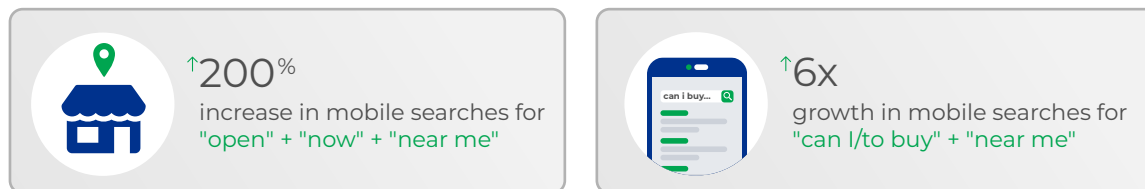
↑**200**% increase in mobile searches for "open" + "now" + "near me"

↑**6x** growth in mobile searches for "can I/to buy" + "near me"

Consumers are also going online to track the status of their packages, to check product availability and to get information on customer service.

↑**120**% growth in mobile searches for "track" + "package"

↑**400**% growth in mobile searches for "24/7" + "customer service"
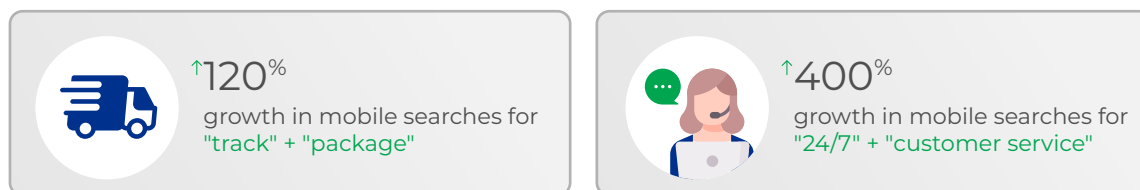
Source: Think with Google

All these search trends highlight a single significant shift - customers are impatient and they want instant information. Another interesting behavior is that people from all stages of the customer journey go online for information. It could be first-time customers looking for shops close to their location, a customer who has purchased a product and awaiting an update on the delivery or someone calling for post-purchase support.

As a marketer, it is important that you think like a customer to understand how they would engage with your brand. With an omnichannel marketing strategy, you will be able to plan and execute your customer journey to align with their unique preferences and behaviors.

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How does omnichannel marketing work?

Omnichannel marketing integrates both offline and different online channels such as website, mobile ads, social media and email to create a unified experience for the customer at every touchpoint and ensures that your brand is visible on the internet.

Engage Users on Multiple Channels Across Mobile & Web

| Email | SMS | Ad Networks | Social (Whatsapp) | IVR/Call Center |
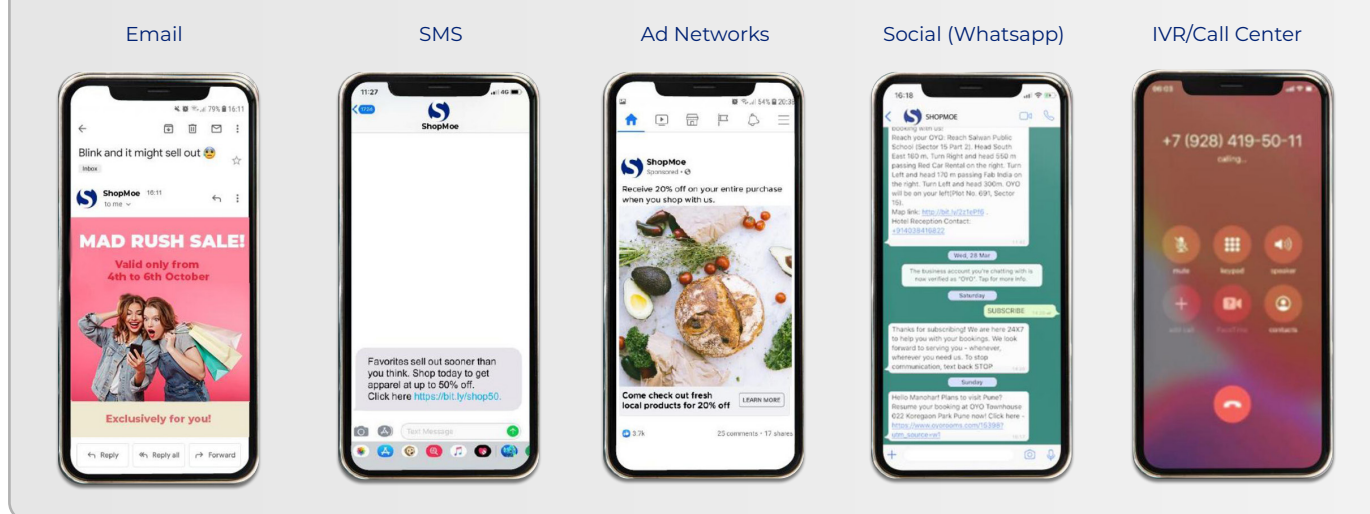
Omnichannel marketing does not work in a linear way. Your customer may order a product online and pick it up from the store, or purchase something in-store and have it delivered to their home. As a marketer, you have to optimize both the channels to increase engagement with the customer.

Approximately 60% of millennials expect consistent brand experiences — whether in-store, online or by phone.

Following the extended stay-at-home periods during the pandemic, omnichannel shopping is becoming a norm. Constrained consumers, whose expenses have been hampered by the pandemic, have caught on to online shopping to look for the best deals without having to worry about the cost of commuting. 72% of constrained consumers have a higher preference for omnichannel shopping compared to insulated consumers, whose finances have not been as impacted by the pandemic.

Constrained Consumers Opt for Omnichannel Shopping Across Regions

Omni Shoppers by Region

Region	Constrained	Insulated
APAC	85%	74%
Europe	65%	54%
AME	76%	73%
LatAm	57%	56%
North America	71%	54%

● Constrained ● Insulated

Source: Nielsen Global Shopper Normal Study, May 2020

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Chapter 2 - Importance for Omnichannel Marketing for Customer Journeys

A customer journey is the core of omnichannel marketing as it helps you in understanding the spending patters of users. Consumer habits vary as per their requirements. It is upto business to recognize the differences and customize the journeys to provide optimal experience.

As a marketer, you have to remember that no two customer journeys are same. They do not necessarily move along a similar trajectory from the awareness to the consideration stage.

Customer Journeys
Every Customer Journey is Different

Shopper A
Scouting for the best price for a particular mobile phone.

Look for different sellers selling the same device.

Find the best discounts and offers before making a purchase.

Shopper B
Unsure about which mobile phone to purchase.

Search for features in different phones within a certain budget.

Narrow the search to find the best one that meets their expectations.

You have to be visible to both the types of shoppers even if their search intent is different.

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To increase your visibility, you can begin with these three things to engage with customers at every stage:

Be available: Ensure that all the information related to your products and inventory is readily available online to the customer. Online visibility is particularly important since consumers are increasingly seeking quick information on their smartphones, as we learnt in the previous chapter.

Be relevant: When customers search for a product online, they display high buyer intent. So, ensuring that you are present at the right time with the right message will help in converting this intent into an actual purchase.

Be transparent: Provide your customers with a platform to engage with you post-purchase so that they can find information about their ordered product at any time.

It is nearly impossible to plan personalized customer journeys without marketing technology, specifically a customer engagement tool. Omnichannel marketing will help you deliver the right message to the right recipient at the right time, making it easier for the customer to make an informed buying decision.

Omnichannel Marketing Customer Journey

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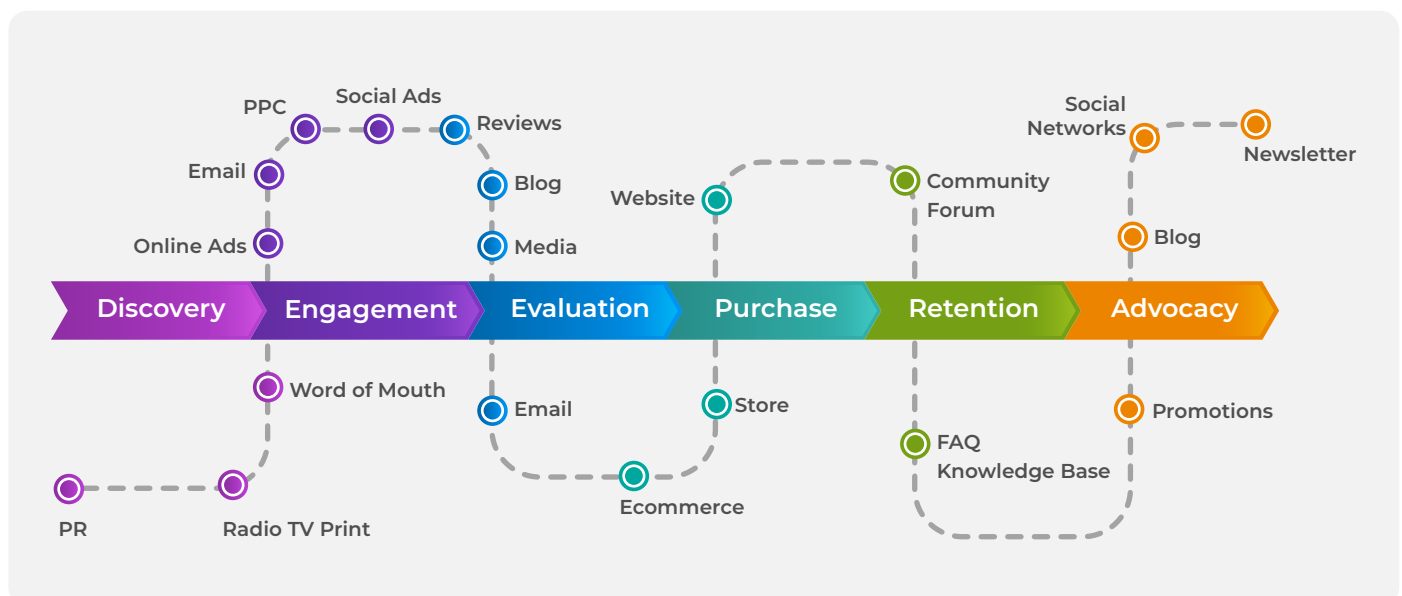
Chapter 3 - Benefits of Using Omnichannel Marketing Automation

Building customer journeys can be a complex process. Marketers have to formulate the right message for each channel. For example, an email message will be different from the content sent as a push notification. You have to link these different messages such that they align with your overall omnichannel strategy. Your strategy needs to be cohesive to ensure consistency in customer experience.

Omnichannel marketing automation allows you to automate the omnichannel process by creating strategies to target customers from the first touchpoint, such as a welcome email, all the way to the retention stage where you can personalize the content to reduce churn rate.

MoEngage helped a digital wallet brand to understand users' interactions on promotional banners. The client wanted to analyze user behavior and drop off on these banners by employing more personalized engagement to boost traffic and conversions.

1 **First,** understand user's app activity, user funnel flow, and overall engagement with the discount banners.

2 **Second,** leverage these insights and segment users based on the data.

3 **Third,** creat engagement campaign workflows to optimize user coommunication on various discounts & offers.

MoEngage features used:
MoEngage Analytics, Segmentation, Omnichannel Flows, AI Engine-Sherpa

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Here are a few ways in which omnichannel marketing automation can fuel your marketing strategy:

Save time on manual tasks: Omnichannel marketing maximizes engagement across all channels with minimal effort from the marketing team. As your customer base expands, you will need to reduce the time spent on operational activities and focus on strengthening your marketing strategies. Using a customer engagement tool for omnichannel marketing saves the time spent on manual tasks and allows you to focus on more significant areas such as customer behavior analysis across different channels and strategy alignment.

Get actionable insights: Omnichannel marketing simplifies the decision making process by providing a holistic view of consumer behavior. The data, collected in real-time, acts as the starting point for creating an effective omnichannel marketing strategy. This helps you to meet your future goals. Since omnichannel marketing unifies your marketing efforts, data from multiple channels can be leveraged via deep analytics.

Segment audience smartly: With a customer engagement tool, you can create a seamless experience for your consumers. You can segment users based on parameters such as demographics, buying behavior, interests and other attributes. This data can be used to personalize the recommendations that you send to the user. Your sales team can use this data for prospects as can your customer support team to offer better service to the customer.

Personalize content: Smart segmentation allows you to send personalized content at the right time through the right channel. For example, you can create differential content for frequent buyers vis-a-vis those who may not have purchased from you in the last six months. Similarly, with marketing automation, you can also select the time and channel for triggering a message.

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Chapter 4 - How to Use Omnichannel Marketing for Different Customer Phases

In the previous chapters, we discussed how customer journey is the core of omnichannel marketing strategy. It is now time to learn how you can leverage automation at every phase of the journey to strengthen your engagement with the customer.

This chapter is divided into four sections to show how omnichannels impact businesses at each stage:

Onboarding	Conversion
Engagement	Retention

1. Onboarding

Onboarding is the first step to build a long-lasting relationship with your customer. The good news is that your customers decided to download or visit your app because they found it relevant to their needs. The onus thus lies on you to keep them invested in your offering. According to a study by Quettra, an app loses at least 77% of its daily average users (DAU) within the first three days of installing the app. The app further loses 90% of DAU in 30 days and 95% in 90 days.

Average Retention Curve for Android Apps

Y-axis: Percentage of Users Still Active
X-axis: Days since App Install (1, 3, 7, 14, 30, 60, 90)

Source: Andrew Chen

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Considering this is the first time a customer is engaging with your brand, you require a good strategy to develop engagement with your user. Onboarding is your only opportunity to display your value. Losing this opportunity would essentially mean losing a potential customer.

Start crafting a personalized onboarding journey using Flows and slowly walk them through the first critical steps to your success metrics. Here's how you can quickl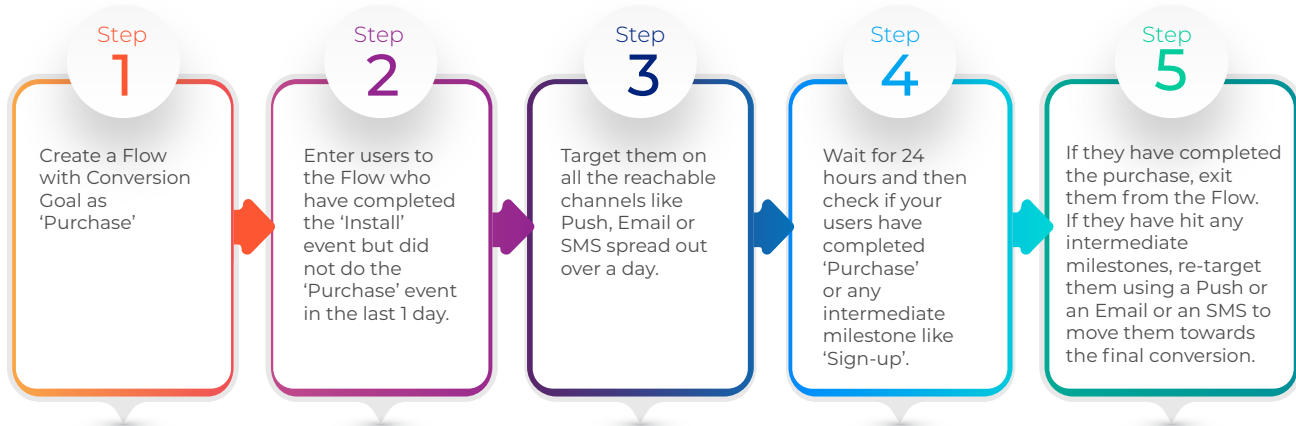y set up a simple onboarding flow for your users who just installed your app and nudge them towards completing their milestones, be it purchase, sign-up or added products to cart or any other of your business goals.

How to Onboard Customers Using Omnichannels

Here are 5-simple steps to create an onboarding journey for an e-commerce client to move the new users towards their first purchase:

Step 1	Step 2	Step 3	Step 4	Step 5
Create a Flow with Conversion Goal as 'Purchase'	Enter users to the Flow who have completed the 'Install' event but did not do the 'Purchase' event in the last 1 day.	Target them on all the reachable channels like Push, Email or SMS spread out over a day.	Wait for 24 hours and then check if your users have completed 'Purchase' or any intermediate milestone like 'Sign-up'.	If they have completed the purchase, exit them from the Flow. If they have hit any intermediate milestones, re-target them using a Push or an Email or an SMS to move them towards the final conversion.

For instance, Zappos onboarding exhibits a casual vibe that has helped the company form long-term relationships with their customers.
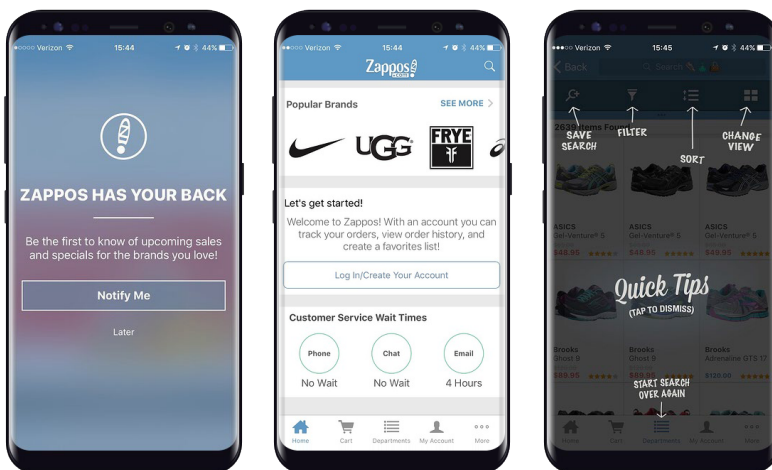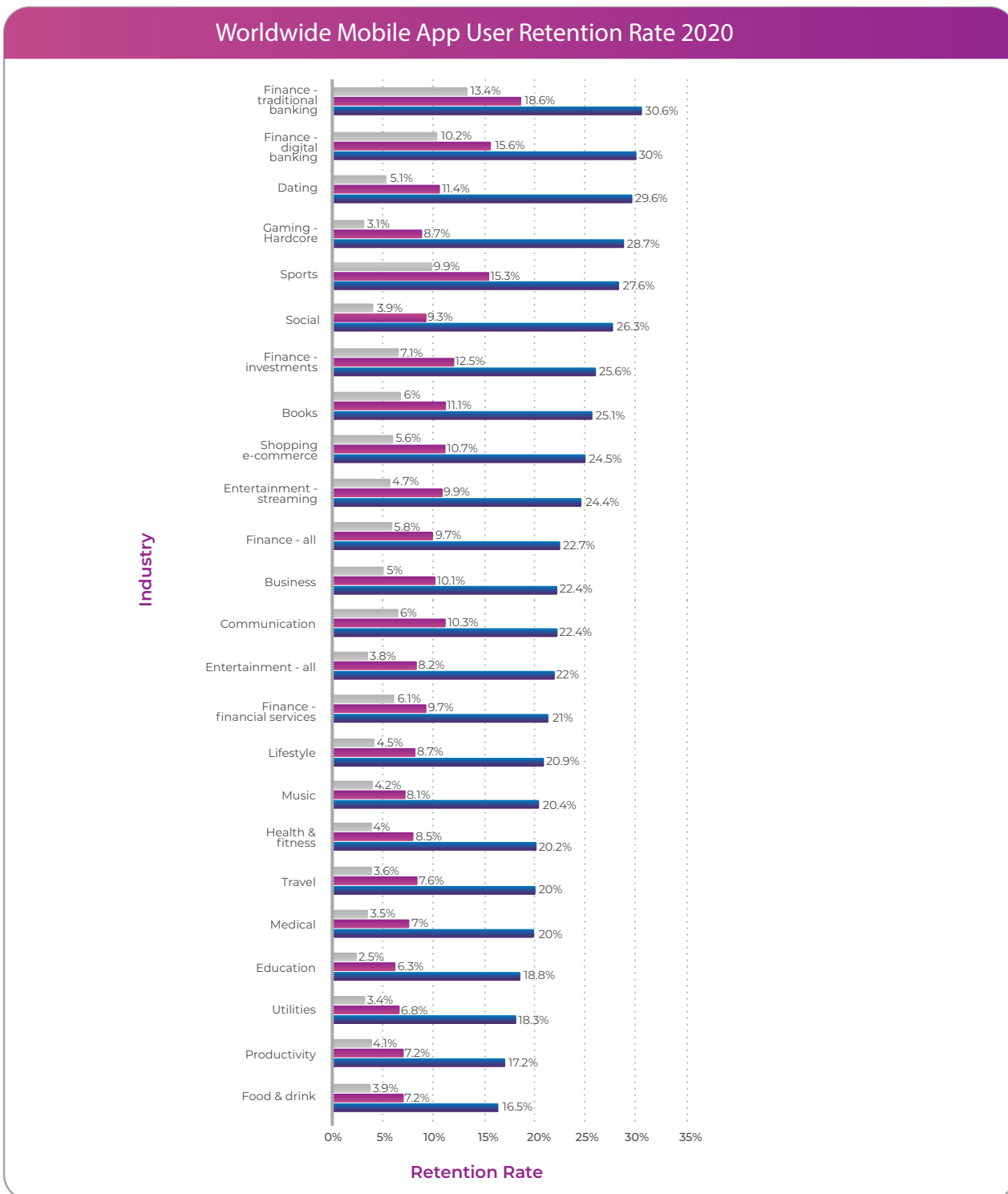

Every step of the onboarding flow reminds the user that Zappos puts customer experience first.

- ○ The first screen is 'Zappos has your back', asking you to enable push.
- ○ When you get to the home screen, the first thing you see is customer service wait times.
- ○ As you start browsing, a 'quick tips' module window quickly explains each icon.

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2. Engagement

User engagement is the root cause of user attrition, a big challenge confronting mobile marketers. The following figure from Statista shows retention rate on day 1, day 7 and day 30 of mobile app installs worldwide as of August 2020, by category.

Worldwide Mobile App User Retention Rate 2020

Industry	Day 1	Day 7	Day 30
Finance - traditional banking	30.6%	18.6%	13.4%
Finance - digital banking	30%	15.6%	10.2%
Dating	29.6%	11.4%	5.1%
Gaming - Hardcore	28.7%	8.7%	3.1%
Sports	27.6%	15.3%	9.9%
Social	26.3%	9.3%	3.9%
Finance - investments	25.6%	12.5%	7.1%
Books	25.1%	11.1%	6%
Shopping e-commerce	24.5%	10.7%	5.6%
Entertainment - streaming	24.4%	9.9%	4.7%
Finance - all	22.7%	9.7%	5.8%
Business	22.4%	10.1%	5%
Communication	22.4%	10.3%	6%
Entertainment - all	22%	8.2%	3.8%
Finance - financial services	21%	9.7%	6.1%
Lifestyle	20.9%	8.7%	4.5%
Music	20.4%	8.1%	4.2%
Health & fitness	20.2%	8.5%	4%
Travel	20%	7.6%	3.6%
Medical	20%	7%	3.5%
Education	18.8%	6.3%	2.5%
Utilities	18.3%	6.8%	3.4%
Productivity	17.2%	7.2%	4.1%
Food & drink	16.5%	7.2%	3.9%

**Retention Rate**

● Day 1   ● Day 7   ● Day 30

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A smartphone user accesses, on an average, nine apps every day and 30 apps every month. Attracting their attention can, therefore, be a challenge. Here are a few ways in which you can use a customer engagement platform to keep users innovatively engaged to your app:

Send a targeted message to your users: Sending specific offers to specific customers acts as a gentle nudge for them to use your app. You can add rich media and personalized content to the customer engagement platform to be sent to the user, and this does not necessarily have to be an offer.

## How PetFlow Used Push Notifications to Improve Customer Engagement

 # 1 PetFlow was seeing a consistent decline in email engagement. They realized that promotional emails will help sales only to a certain extent and moreover, can strain their bottom line.
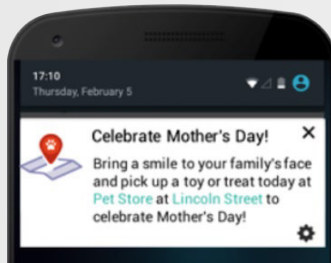
 # 2 PetFlow wanted to follow a multichannel approach and hence, turned to web push notification, also called browser push notifications.

PetFlow

 # 3 The company leveraged MoEngage Push Notifications to deliver individual-level personalized interactions at different stages of customer engagement to facilitate a positive purchasing action.
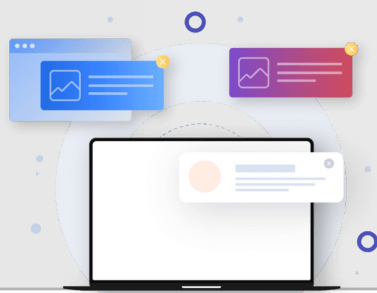
 # 4
- In order to combat browsing and shopping cart abandonment, MoEngage came up with two automated, behaviordriven campaigns.
- Based on the potential customer's IP address, location-based personalized notifications were set-up and delivered.
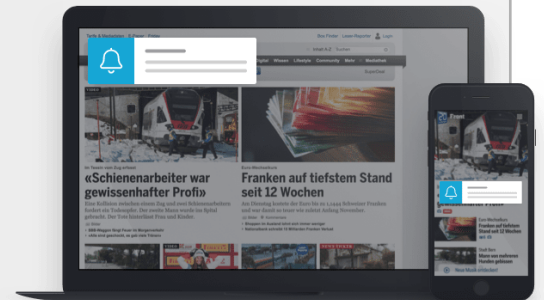
 # 5 MoEngage helped PetFlow in:
- Maximizing the declining email engagement
- Driving in-store traffic
- Boosting sales

**10%** Increase in CTR due to weekly recurring campaining to drive in-store traffic

5.5% Increase in CTR through a one-time campaign encouraging users to visit the local store

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Send event-based notifications: According to Experian, event-based emails, such as for birthdays, increase transaction rate by 481% and revenue by 342% per email compared to the usual promotional emails.

Omnichannels Used for Event-based Notifications

A banking app can send personalized messages to users on salary day with suggestions for smart investment.
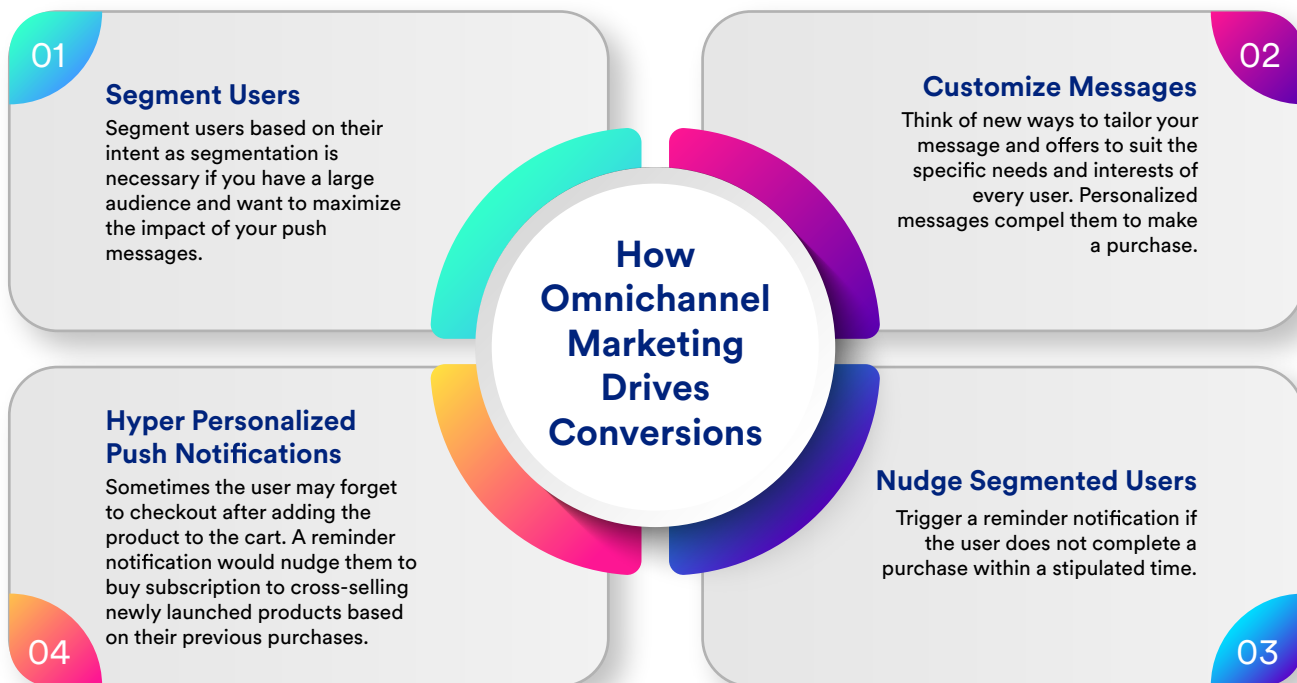
→
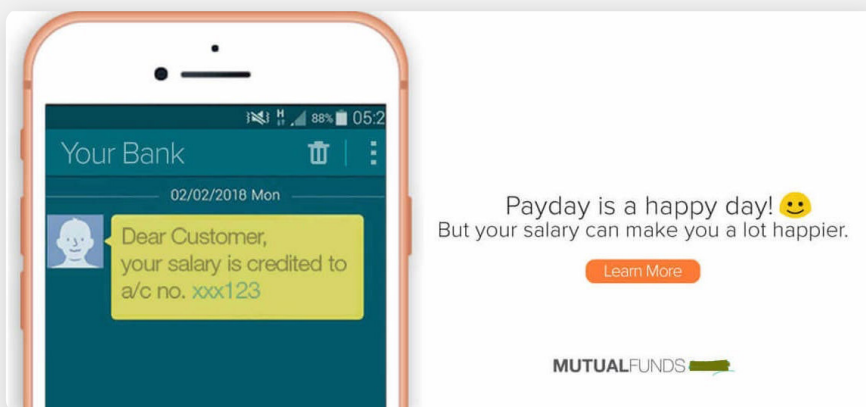
For users who have not engaged with you for some time, use marketing automation to trigger re-engagement emails linked to a specific event, such as an app anniversary to remind them of your presence.

→

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3. Conversion

Driving conversions can be challenging and expensive. A survey by Liftoff reveals that marketers have to spend a minimum of $64.96 per user to lead them to purchase via a mobile app.

01

Segment Users
Segment users based on their intent as segmentation is necessary if you have a large audience and want to maximize the impact of your push messages.

02

Customize Messages
Think of new ways to tailor your message and offers to suit the specific needs and interests of every user. Personalized messages compel them to make a purchase.

How Omnichannel Marketing Drives Conversions

Hyper Personalized Push Notifications
Sometimes the user may forget to checkout after adding the product to the cart. A reminder notification would nudge them to buy subscription to cross-selling newly launched products based on their previous purchases.

04

Nudge Segmented Users
Trigger a reminder notification if the user does not complete a purchase within a stipulated time.

03

Business Impact

TRAVELODGE'S JOURNEY OF INCREASING REVENUE

by targeting visitors who had abandoned the site and getting them to convert

DYNAMIC ONSITE MESSAGING

Syncing hotel availability data with MoEngage to trigger targeted onsite banner campaigns on location and hotel search result pages led to increased bookings per visitor.

SMART TRIGGER WEB NOTIFICATIONS:

Reaching out to users who abandoned hotel room bookings with push notifications and encouraging them to complete bookings.

Travelodge

12% ↑
Increase in hotel bookings

2X% ↑
Increase in booking abandon recovery

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4. Retention

Customer retention is every marketer's nightmare. It is not uncommon for e-commerce players to experience a churn rate as high as 80%. In fact, you cannot assume that a customer who has completed a purchase will return to your app - 63% never do! While marketers spend more money on acquiring new customers than retaining old ones, the truth is that customer retention is 9x cheaper than acquisition. The only solution to reduce the churn rate is to show your customers that you value them. Here's how you can demonstrate value to your customers:
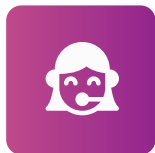
Keep communicating: Keep communication channels with your customers open even after onboarding. Share the latest updates about your products and services, inform customers about upcomings sales, special discounts etc. Set smart triggers to send personalized push notifications to users at regular intervals to keep them engaged. Remember, push notifications are known to improve user retention by 56% to 180%.

Build loyalty programs: The best way to retain customers is to show 'what's in it for them' to be on your app. Use a customer engagement tool to identify loyal customers and send them personalized offers to show that you value their relationship. For instance, Sephora's Beauty INSIDER program and vegan supplement brand Vega's Rad(ish) Rewards are intelligent and unique names that hint at benefits but don't give them away, enticing customers to join.
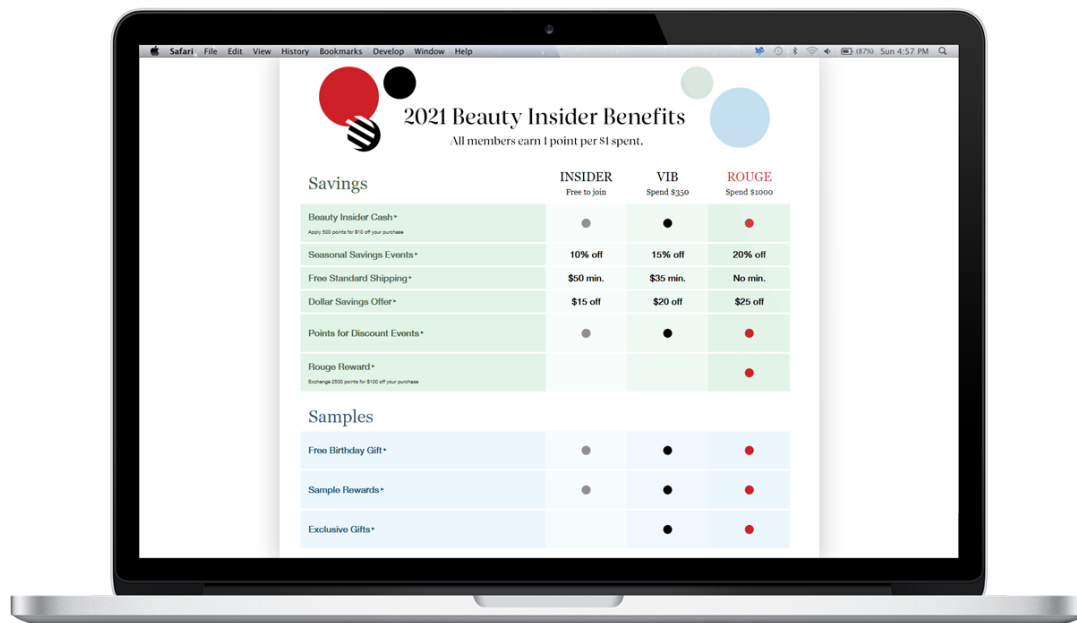
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Chapter 5 - How to Build an Effective Omnichannel Marketing Plan

Customer engagement tools can help you send personalized messages to your audience through various channels. However, the effort will be meaningless if you do not have an omnichannel marketing plan in place.

Here are a few ways to build an effective plan:

- Identify the channels that your customers use frequently and make yourself available on all of them.

- Evaluate and choose the right tool that offers you options such as smart segmentation, personalized communication, smart triggers and workflows to assist you in building your marketing automation plan. Being able to view the complete customer journey in a single place is critical.

- Create a workflow to automate communication with the customer. For example, you can create a workflow in the automation tool to send welcome emails, follow-up emails, special discount emails at regular intervals to your customers.

- Have an open-door policy so that your customers can engage with you and reach out to you for support through their preferred channel at their preferred time. Omnichannel customer support is as important as omnichannel marketing.

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About MoEngage

MoEngage is an insights-led customer engagement platform, trusted by more than 1,200 global consumer brands such as Ally Financial, McAfee, Flipkart, Domino's, Nestle, Deutsche Telekom, OYO, and more. MoEngage empowers marketers and product owners with insights into customer behaviour and the ability to act on those insights to engage customers across the web, mobile, email, social, and messaging channels. Consumer brands across 35 countries use MoEngage to power digital experiences for over 1 billion monthly customers. With offices in 10 countries, MoEngage is backed by Goldman Sachs Asset Management, B Capital, Steadview Capital, Multiples Private Equity, Eight Roads, F-Prime Capital, Matrix Partners, Ventureast, and Helion Ventures.

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